

**09 July
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COALITION PROVISIONAL AUTHORITY

CPA DAILY

Electricity

The electricity is probably the most important thing we're doing right now because without it nothing else works in the country. It's an antiquated system. It's basically 1960s technology. It's an amalgamation of systems that, due to a number of circumstances, the Iraqis have not had a consistent investment approach and they have a wide variety of manufacturers and types of systems that make up the electrical system. Hence, it is very complicated and difficult to maintain.

The capacity of this system is about 7,800 megawatts. And the real important figure is the fact that, due to its age and condition, it can only generate about 4,500 megawatts. The national demand right now is about 6,000 megawatts, and so you can see that right away there will be shortages of electricity, and this is and always has been for the Iraqi people. It's something they're used to.

So this just means that we have to do a program of load-shedding which essentially is rolling blackouts so that people have their power cut off at different times during the day. It's very difficult to control, because the control systems they did have in place were largely looted and destroyed following the war. The distribution system, which moves power around the country, is also very unstable and not very reliable. So it's difficult for us to give any predictability to the Iraqi people about when the power will be on and when it will be off.

On 12 April when we arrived in the city of Baghdad, it was a complete blackout, and through a very, very complex process working with the Iraqis, we were able to bring up the electrical system. We now have 39,000 electrical workers back on the job. We have, today, about 3,200 megawatts of power being generated and by the end of the month we'll have about 4,000, which is about where they were pre-war. We should continue to see rises in power as we make additional investments and repairs in the system. We've also reconnected the national grid, which has been very important in moving power around the country.

Gen Strock, VTC, 7 July

Key Quote

The attacks on the coalition forces, the attacks on the Iraqi police are nothing more than attacks on the Iraqis themselves. I think it's time for the Iraqis to stand up and go after these people. We've offered a reward in the last few days for Saddam Hussein. Tomorrow morning I will be announcing a minimum reward of twenty five hundred dollars for all and any information relating to the shooting or the murder of coalition forces or Iraqi police officers. I think people out there, they want to come forward with information and I urge them to do so.

Bernie Kerick, BBC World Service, 7 July

Key Messages

- Coalition Forces continue to robustly patrol Iraq to eliminate crimes against people and property, rid populated areas of weapons, ammunition and explosives, and stop the black market trade in fuel and other commodities.
- Coalition Forces continue to conduct joint security patrols with Iraqi police in their efforts to increase the professionalism of the police force and prepare them for their role in a self-governed Iraq.
- Our task now is to help the Iraqis rebuild their economy.
- Economic team are working hard on a number of initiatives which will help get the economy going, and provide some much-needed jobs.
- After decades of manipulation and mismanagement, the road to a free and flourishing economy will not be an easy one. But we've already taken one big step: which was the ending of sanctions.

Iraq is "a rich country that is temporarily poor," Mr. Bremer said in an interview. "We are not going to be able to generate enough capital over the next year and a half to pay for everything, even if we make all of our oil revenues targets."

.....The coalition is spending more than the Hussein government did, increasing its capital budget by 30% in the next six months compared with the last half of 2002 -- based on poring over the former regime's budget documents and interviewing former bureaucrats.

Some \$2.6 billion of the \$6.1 billion will pay for salaries, pensions, food rations and health care. Mr. Bremer's administration plans to spend 70 times as much on health care in the next six months as Mr. Hussein's government did during the latter half of 2002.

An extract from

"Bremer Says Iraq Will Depend On Oil to Finance New Budget

By Alexei Barrionuevo

The Wall Street Journal

Diary

- 0900 – Pooled facility – Women's Conference
- 1400 – Background Brief – Arab media – Gen Eaton and Mr Slocombe
- 17.30 – Press Conference Women's Conference